



BOSTON & MAINE CORPORATION
DELAWARE & HUDSON RAILWAY COMPANY
MAINE CENTRAL RAILROAD COMPANY
Iron Horse Park
No. Billerica, MA 01862-1685
(617) 663-1029

6-129A071

LAW DEPARTMENT

No.
Date **MAY 09 1986**
Fee \$ 10.00
ICC Washington, D.C.

May 5, 1986

14958
RECORDATION NO. Filed 1425

James H. Bayne, Secretary
Interstate Commerce Commission
12th and Constitution Aves., N. W.
Washington, D. C. 20423
MAY 9 1986 -3 05 PM
INTERSTATE COMMERCE COMMISSION

Dear Secretary Bayne:

I have enclosed an original and one copy of the document described below, to be recorded pursuant to Section 17303 of Title 49 of the U. S. Code.

This document is a lease, a primary document, dated December 27, 1985.

The names and addresses of the parties to the document are as follows:

Lessor: United States Trust Company
40 Court Street
Boston, Massachusetts 02108

Lessee: Boston and Maine Corporation
Iron Horse Park
North Billerica, Massachusetts 01862.

A description of the equipment covered by the document follows:

Twenty-three Roofless and Doorless 89'4" Enclosed Bi-Level Auto Racks manufactured by Thrall Car Manufacturing Company and bearing Lessees' Rack I.D. numbers BM 45040 to BM 45062, inclusive.

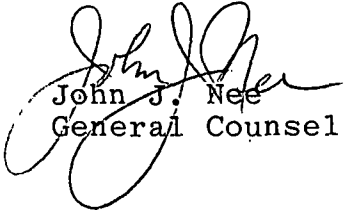
A fee of ten dollars (\$10.00) is enclosed. Please return the original to Richard Long, Secretary/Treasurer, Boston and Maine Corporation, Iron Horse Park, North Billerica, Massachusetts 01862.

James H. Bayne, Secretary
May 5, 1986
Page 2.

A short summary of the document to appear in the
index follows:

Lease between United States Trust Company, Lessor,
and Boston and Maine Corporation, Lessee, dated
December 27, 1985, and covering twenty-three Roof-
less and Doorless 84'5" Enclosed Bi-Level Racks.

Very truly yours,



John J. Nee
General Counsel

JJN/m
Encls.

Interstate Commerce Commission
Washington, D.C. 20423

5/12/86

OFFICE OF THE SECRETARY

Richard Long
Sec./Treasurer
Boston & Main Corporation
Iron Horse Park
North Billerica ,Mass. 01862

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 5/9/86 at 3:05pm and assigned re-
recordation number(s). 14958

Sincerely yours,


Secretary

Enclosure(s)

ICC Copy

14958

REGISTRATION NO. Filed 1425

MAY 9 1986 -3 05 PM

Lease No. 19856

INTERSTATE COMMERCE COMMISSION LEASE AGREEMENT

This Lease Agreement and all Amendments and Schedules attached hereto and referenced herein (hereinafter referred to as the "Lease"), is entered into by and between the undersigned UNITED STATES TRUST COMPANY with a principal business address at 40 Court Street, Boston, Massachusetts 02108 (hereinafter referred to as "Lessor"), and BOSTON & MAINE CORPORATION with a principal business address at Iron Horse Park, North Billerica, Massachusetts 01862 hereinafter referred to as "Lessee").

WITNESSETH:

1. Lease. Subject to the terms and conditions set forth herein, Lessor agrees to lease and Lessee agrees to hire from Lessor such unit or units of equipment (hereinafter referred to collectively as "Equipment" or individually as a "Unit"), described in Schedule(s) attached hereto and hereby incorporated into this Lease in full. All Schedules attached hereto shall be deemed a part of this Lease and in event of a direct conflict between the provisions of any Schedule and any provision of this Lease, the provisions contained in the Schedule shall prevail.

2. Term and Rent. The Lease term (the "Term") includes the Base Term plus any Lease extension or renewal term.

The Base Term of this Lease shall commence on the Commencement Date and shall continue until the Expiration Date set forth in attached Schedule(s). During the Term, Lessee agrees to pay to Lessor at its address set forth above, or to such other address as Lessor may designate from time to time, the Rent set forth in attached Schedule(s) on the Payment Dates set forth in such Schedule(s).

Time is of the essence in this Lease and if any Rent is not paid within seven (7) days after the due date thereof, Lessor shall have the right to add and collect and Lessee agrees to pay a late charge on, and in addition to, such Rent, equal to one and one-half (1.5%) percent per month of such Rent, but not exceeding the lawful maximum rate prescribed by law for such a charge and thereafter shall pay a like charge as of each succeeding Rent due date until such rent and late charge are paid.

Lessee shall make all payments, free from all claims, demands and setoffs against Lessor, at the address of the Lessor set forth above or at such other address as the Lessor may, from time to time, designate in writing. This is an absolutely net lease, and any present or future law to the contrary notwithstanding, Lessee's obligation to pay Lessor and its assignee(s) all amounts due hereunder is absolutely unconditional and this Lease shall not terminate by operation of law or otherwise, nor shall Lessee

be entitled to any abatement, reduction, setoff, counterclaim, defense or deduction with respect to any net rent or any other sum payable hereunder, nor shall any obligations of Lessee hereunder be affected for any reason whatsoever, no matter how, when, or against whom asserted, arising or claimed; provided, Lessee may institute an independent action against Lessor for any alleged breach hereof. The provisions of this paragraph are made expressly for the benefit of Lessor and any assignee of Lessor.

3. Delivery and Acceptance. Lessor and Lessee understand that the manufacturer or vendor of the Equipment ("Manufacturer") will deliver the Equipment to the premises of the Lessee specified in attached Schedule(s) and such delivery shall be deemed to be delivery of the Equipment by Lessor to Lessee hereunder. Lessor hereby authorizes Lessee as its agent to accept for Lessor, and in Lessor's name, the Equipment from the Manufacturer upon delivery and installation. Upon such delivery and installation Lessee shall cause an inspector of Lessee to inspect the Equipment, and if it is found to be acceptable, to accept delivery of such Equipment and execute and deliver to Lessor a Certificate of Acceptance in the form of Exhibit B hereto, stating that the Equipment has been inspected and accepted on the date of such Certificate, whereupon such Equipment shall be subject thereafter to all terms and conditions of this Lease. Each Certificate of Acceptance shall be accompanied by the invoice relating to any Unit covered by such Certificate of Acceptance if it has been received. In the event the Equipment is not accepted by Lessee within sixty (60) days from the date of delivery and such acceptance is unreasonably withheld by Lessee, Lessor at Lessor's option, shall have the right to cancel this Lease. If Lessee refuses or fails to sign the Certificate of Acceptance, Lessee agrees to automatically assume all of Lessor's purchase obligations for the Equipment and at Lessee's own expense agrees to indemnify and defend Lessor from any claims by the Manufacturer or vendor of the Equipment.

Lessee's execution and delivery to Lessor of the Certificate of Acceptance shall conclusively establish as between Lessor and Lessee that the Equipment is acceptable to and accepted by Lessee under this Lease, notwithstanding any defect with respect to design, manufacture, condition or in any other respect, and that, such Equipment is in good order and condition and appears to conform to the specifications applicable thereto.

4. Installation, Use, Operation and Maintenance. All packing, transportation, operation, maintenance, repair, site preparation, installation, deinstallation, relocation, alteration, surrender of the Equipment, rigging, insurance, drayage and all other amounts payable with respect to the Equipment, shall be at the risk and expense of Lessee and in accordance with the specifications of the Manufacturer(s) of the Equipment and in compliance with all applicable laws and regulations. Lessee shall furnish, at its own expense, all materials and labor necessary for unpacking or repacking and delivering the Equipment.

The Lessee agrees to pay all costs, expenses, fees and charges incurred in connection with the use and operation of each Unit of Equipment during the Lease Term thereof, including but not limited to, repairs, maintenance, storage and servicing. The Lessor hereby transfers and assigns to the Lessee for and during the term of this Lease, but only so long as Lessee is not in default hereunder, all of its right, title and interest in, under and to any Manufacturer's warranty in respect of each Unit of Equipment, to the extent the Warranties and Patent Indemnities acknowledged by the Manufacturer.

Lessee shall keep the Equipment free and clear from all liens, charges, encumbrances, legal process and claims. Lessee shall not hypothecate, sell, transfer or part with possession of the Equipment or any interest in this Lease, and any attempt to do so shall be null and void. Lessee agrees not to waive its right to use and possess the Equipment in favor of any party other than Lessor and further agrees not to abandon the Equipment to any party other than Lessor. The Lessee agrees that the Equipment will be used principally in the conduct of the Lessee's business and will at all times be and remain in the possession and control of the Lessee at the Location indicated in the attached Schedule(s). Lessee shall not permit the removal of the Equipment, other than normal railroad freight movement in the United States and Canada, from this Location without the prior written consent of the Lessor, which consent shall not be unreasonably withheld as to any relocation of the Equipment within the continental limits of the United States, provided all packing, transportation, site preparation and installation be at the risk and expense of the Lessee and in accordance with Manufacturer's specifications.

Lessee shall properly use and maintain the Equipment in good repair and efficient operating condition, ordinary wear excepted, including the performance at Lessee's expense, of such repairs, alterations, substitutions and replacements as may be necessary and required to comply with all applicable health and safety standards, Manufacturer's specifications and operating efficiency and shall adhere to the Manufacturer's recommended schedule of preventive maintenance. All repairs, alterations, substitutions and replacements shall become the Lessor's property and shall become subject to this Lease when incorporated into or attached to the Equipment or Unit. Lessee may, with Lessor's prior written consent, make such alterations, modifications or additions to the Equipment as Lessee may deem desirable in the conduct of its business; provided the same shall not diminish the value or utility of the Equipment, or cause the loss of any warranty thereon or any certification necessary for the maintenance thereof, and shall be readily removable without causing damage to the Equipment. Lessor shall have the sole option, at the expiration of the Term, either to request Lessee to remove any and all attachments and additions, subject to the condition that the Equipment is restored to its original condition, less normal wear and tear; or to allow such additions and attachments to become the property of the Lessor, prior to redelivery of the Equipment or any Unit to Lessor.

All costs incurred in connection with the operation of each Unit, including, but not limited to, labor, materials, energy and supplies, shall be borne by Lessee.

5. Fees and Taxes; Compliance with Law. Lessee shall have no liability whatsoever for taxes imposed by the United States of America or any state or political subdivision thereof which are on or measured by the net income of Lessor. Lessee shall report and pay promptly any and all taxes, fees and assessments due, assessed or levied against the Equipment, or the use, leasing or operation thereof or upon the rental or receipts with respect to this Lease, including all sales, use, ad valorem, personal property, and other taxes together with any penalties, fines or interest thereon, imposed against this Lease, Lessor, Lessee or any Equipment, by any Federal, State or Local government or taxing authority during the Term (all hereinafter referred to as the "Taxes") and Lessee will, on request of Lessor, submit to Lessor written evidence of Lessee's payment thereof. In the event Lessor pays such Taxes, Lessee shall reimburse Lessor or its assignee upon receipt of written request for reimbursement and evidence of such payment.

Lessee shall prepare and submit all necessary filings to the applicable taxing authorities whether the incidents of such imposts and/or its related filing obligation shall be the legal responsibility of Lessor or Lessee. For that purpose, Lessor hereby appoints Lessee its agent and attorney-in-fact to make filings and/or payments on behalf of Lessor where the incidence thereof falls on Lessor. Lessor agrees to cooperate fully with Lessee by executing any documents prepared by Lessee for filing (where the taxing authority will not accept Lessee's appointment as agent for Lessor or accept payment or filings by Lessee on behalf of Lessor) and by forwarding promptly to Lessee any assessments, tax bills, or other correspondence received in connection therewith. To the extent possible, Lessee will make any report or return with respect to any Taxes in such a manner as will indicate the ownership of the Equipment by Lessor.

Lessee shall comply with and cause the Equipment to comply with all legal requirements applicable thereto or to the use thereof and with all contracts (including insurance policies), agreements and restrictions applicable thereto or to the ownership or use thereof.

6. Risk of Loss; Insurance. Lessee shall be responsible for any loss or damage to the Equipment from any cause whatsoever, whether or not insured, partial or complete, foreseen or unforeseen. If the Equipment is lost, stolen, destroyed, damaged or is requisitioned for a period exceeding its expiration date by any governmental authority (any such occurrence being called a Casualty and the Equipment so affected a Casualty Item), Lessee shall promptly and fully inform Lessor thereof in writing. Within 30 days after such Casualty, Lessee shall either fully

repair the Casualty Item to its original working condition or substitute thereof equipment having at least equivalent value and utility, or pay to Lessor the amount stipulated on the Casualty Value Schedule attached to the Lease. Substitution shall be accomplished by Lessee providing to Lessor a bill of sale conveying good or marketable title to the substitute equipment, free and clear of all liens and its counsel's opinion of like tenor.

Lessee shall keep the Equipment insured during the Term against theft and all risks of loss or damage from every cause whatsoever for not less than the greater of the replacement cost, new, or the Casualty Value of the Equipment stipulated on the Casualty Value Schedule and shall carry public liability insurance, both personal injury and property damage, covering the Equipment. Lessee shall be liable for all deductible portions of all required insurance. All said insurance shall be in form and amount and with companies satisfactory to Lessor. All insurance for theft, loss or damage shall provide that losses, if any, shall be payable to Lessor, and all such liability insurance shall name Lessor as additional insured. Lessee shall pay the premiums therefore and deliver to Lessor a certificate of insurance or other evidence satisfactory to Lessor that such insurance coverage is in effect; provided, however, that Lessor shall be under no duty either to ascertain the existence of or to examine such insurance policies or to advise Lessee in the event such insurance coverages shall not comply with the requirements hereof. Each insurer shall agree by endorsement upon the policy or policies issued by it or by independent instrument furnished to Lessor, that it will give Lessor thirty (30) days written notice by certified mail prior to the effective date of any alteration or cancellation of such policy. Lessee hereby irrevocably appoints Lessor as Lessee's attorney-in-fact to make claim for, receive payment of, and execute and endorse all documents, checks or drafts received in payment for loss or damage under any said insurance policies.

In the event Lessee does not provide such insurance, Lessor may, at its option, obtain property damage and liability insurance at Lessee's expense. However, in no event shall Lessor's obtaining insurance relieve Lessee of its responsibility for loss or damage to the Equipment should the insurance be insufficient to cover the loss or claim, or if such loss or claim is not covered. At Lessor's request, Lessee shall immediately reimburse Lessor for any such insurance premiums paid by Lessor.

Lessee shall immediately notify Lessor, in writing, of each major accident arising out of the use of the Equipment or damage to the Equipment and shall give such details of the loss or damage as may be reasonably requested by Lessor. Lessor also agrees to cooperate with Lessee in the settlement or defense of any actions or claims which are caused by said accidents or damages to or from the Equipment.

7. Indemnification. Lessee hereby agrees to pay and indemnify, protect, save and keep harmless Lessor and its agents and employees and every assignee of Lessor from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions and suits, including legal expenses, of whatsoever kind and nature, imposed on, incurred by, or asserted against Lessor because of the manufacture, delivery, acceptance, ownership, possession, use, operation, return or disposition of the Equipment during the Term of the Lease, claims arising in contract, tort or out of latent defects including but not limited to, incorporation by Lessee of an invention or attachment to the Equipment resulting in a claimed infringement of patent, trademark or copyright. All the indemnities contained in any section of this Lease shall survive, remain in full force and effect and be enforceable after the expiration or termination of this Lease for any reason and are expressly made for the benefit of, and shall be enforceable by Lessor.

8. Quiet Enjoyment. Lessor covenants that the Lessee shall have quiet enjoyment of the Equipment during the Term of this Lease so long as the Lessee is not in default under this Lease.

9. Representations and Warranties.

(a) Lessee hereby warrants and represents to Lessor, its successors and assigns: (i) Lessee is a corporation validly existing and in good standing under its state of incorporation, with adequate power to enter into the Lease and is duly qualified to do business wherever necessary to carry on its present business and operations, including the jurisdiction(s) where the Equipment is or is to be located; (ii) the Lease and the documents to be executed by Lessee have been duly authorized, executed and delivered by Lessee and constitute valid, legal and binding agreements, enforceable in accordance with their terms, subject as to enforcement of remedies to applicable bankruptcy and insolvency laws; (iii) no approval, consent or withholding of objection is required from any governmental authority with respect to the entering into or performance by Lessee of the Lease or other documents; (iv) the entering into and performance by Lessee of the Lease will not violate any judgment, order, law or regulation applicable to Lessee or any provision of Lessee's certificate of incorporation or by-laws or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest or other encumbrance upon the equipment pursuant to any indentures, mortgage, deed of trust, bank loan or credit agreement or other instrument to which Lessee is a party; (v) there are no suits or proceedings pending or threatened in any court or before any regulatory commission, board or other administrative governmental agency against or affecting Lessee which will have a material adverse effect on the ability of Lessee to fulfill its obligations under the Lease; (vi) the Equipment is personal property and when subjected to use by the Lessee will not be or become fixtures under the law of the state in which the Equipment is located; and (vii) upon

installation, the Equipment will not be subject to and will remain free from any lien, encumbrance or ownership rights of any person; except to the extent that any owner, mortgage owner or other encumbrancer of the real property on which the Equipment is located shall claim a lien, encumbrance or ownership right, such person will furnish to Lessor a written waiver of that right as to the Equipment. Upon Lessor's request, Lessee shall submit to Lessor an opinion of its counsel that the above warranties and representations are true.

(b) Lessee also hereby represents and warrants to Lessor, its successors and assigns: (i) that this Lease constitutes a True Lease and not a finance lease within the meaning of Section 168(f)(8) of the Internal Revenue Code; (ii) that when accepted under the Lease, the Fair Market Value of the Equipment will not be less than the Lessor's original Equipment cost thereof (excluding sales or use taxes, if any); (iii) that the Equipment has an economic useful life of at least 125% of the Base Term of this Lease and will have at the expiration of the Base Term an estimated Fair Market Value of at least twenty (20%) percent of Lessor's original Equipment cost; (iv) that neither it nor any firm, person or corporation has placed any of the Equipment into service prior to transfer of title to Lessor; and (v) that the Equipment as new personal property under Section 38 is not and will not be classified as "limited use property" as defined in the Internal Revenue Code and will remain Section 38 property throughout the Lease Term.

(c) Lessor hereby warrants and represents to Lessee, its successors and assigns: (i) that Lessor's execution and performance of this Lease has been duly authorized by all necessary corporate action and is not in conflict with Lessor's charter or by-laws, or with any indenture, contract or agreement by which it is bound, or with any statute, judgment, decree, rule or regulation binding upon it; (ii) that no consent or approval of any trustee or holder of any indebtedness or obligation of Lessor, and no consent or approval of any governmental authority, is necessary for Lessor's execution or performance of this Lease; and (iii) that this Lease is valid and binding and enforceable against Lessor in accordance with its terms, subject to enforcement limitations imposed by rules of equity or by bankruptcy or similar laws.

10. Title. The Equipment is and at all times shall remain the sole and exclusive personal property of Lessor. No right, title or interest shall pass to Lessee other than the right to maintain possession and use of the Equipment for the full Lease Term, conditioned upon Lessee's compliance with the terms and conditions of the Lease. Lessee will not attach the Equipment or any Unit thereof to any personal or real property, so as to cause said Equipment or any Unit thereof to become an accession or fixture thereto, or take any other action, with respect to said Equipment or any Unit thereof that would confer upon any person, having an interest in said real or personal property, an interest in the Equipment or any Unit thereof.

If provided by Lessor, Lessee will affix a decal to the Equipment. Lessee agrees to keep the Equipment free of any liens of the owner(s) or mortgage holder(s) of the premises in which the Equipment may be located. Upon request of Lessor, Lessee will obtain and deliver to Lessor a waiver of any such liens in recordable form satisfactory to Lessor. At Lessor's request, Lessee agrees to execute and deliver to Lessor any financing statements, filings or other instruments necessary for recording or perfecting the interest and title of Lessor in this Lease and the Equipment and agrees that all costs incurred in connection therewith shall be paid by Lessee. This Lease or a copy hereof may be filed by Lessor as a lease notification statement under any applicable Uniform Commercial Code. This is a contract of lease only and nothing herein is intended to create a security interest for Lessor, or give the Lessee any interest in the Equipment other than its leasehold as specifically set forth herein. Lessee agrees to provide such information and documents as Lessor may reasonably request to determine if the status and use of the Equipment is consonant herewith.

11. Lessor's Disclaimers. LESSOR IS NOT A MANUFACTURER OR VENDOR OF EQUIPMENT, AND HAS NOT MADE AND DOES NOT HEREBY MAKE ANY REPRESENTATION, WARRANTY OR COVENANT OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED WITH RESPECT TO MERCHANTABILITY, FITNESS FOR ANY PURPOSE, CONDITION, QUALITY, INSTALLATION, DURABILITY OR SUITABILITY OF THE EQUIPMENT OR ANY UNIT THEREOF IN ANY RESPECT OR IN CONNECTION WITH, OR FOR THE PURPOSES OR USES OF LESSEE, OR ANY OTHER REPRESENTATION, WARRANTY, OR COVENANT.

Lessee represents that Lessee has selected the Equipment leased hereunder and that Lessee is satisfied that the Equipment is suitable and fit for its intended purposes. Lessor shall not be liable to Lessee for any damage, defect, failure to meet specifications, service or adjustment, late delivery, failure to deliver or shortage with respect to the Equipment or any Unit thereof, or for any failure of the Manufacturer or vendor thereof to properly install or assemble any Unit(s), or for loss of business or loss of use, or any other damage whatsoever and howsoever caused, or for any failure on their parts to fully and duly comply with the terms of the purchase order or contract pursuant to which the Lessor, directly or indirectly, purchases any Equipment or Unit(s). Nor shall Lessor be responsible for any failure to set forth in any such purchase order or contract any description, specification, term or condition with respect to any of the Equipment or any Unit thereof, or its delivery, assembly or installation. No defect or unfitness of the Equipment shall relieve Lessee of the obligation to pay Rent or any other obligation under this Lease.

Lessor hereby assigns, to the extent assignable, to Lessee for and during the Term of this Lease, any and all of the Manufacturer's warranties, expressed or implied, issued on or applicable to all Units and hereby authorizes Lessee to obtain all warranties and services furnished in connection therewith by

the Manufacturer. During the Term of the Lease, Lessor shall execute such documents of assignment as Lessee may reasonably request and otherwise use its best efforts to make available to Lessee all of its rights under any Manufacturer's warranty on the Equipment or any Unit thereof.

12. Assignment. Lessee agrees it will not, without obtaining on each occasion the prior written consent of the Lessor, assign this Lease or any of its rights hereunder or sublease the Equipment. Such assignment or sublease, if permitted by the Lessor, shall not in any event relieve the Lessee of any of its obligations, liabilities or duties hereunder which shall be and remain those of a principal and not a guarantor. Any purported assignment or sublease in violation of this Section shall be void and of no force and effect. Lessee agrees with Lessor that: (i) Lessor may assign, pledge, mortgage, transfer or otherwise dispose of, either in whole or in part, all of its rights and interests in and to this Lease, without any notice to, or consent of Lessee; (ii) In the event of any such assignment, Lessee will, after due notice thereof, promptly pay to the Assignee, when due to the Lessor hereunder, any payments, and any payments made by Lessee to the Assignee pursuant hereto, shall to the extent thereof discharge the obligations of Lessee to Lessor hereunder; (iii) Lessee will not, after such notice of assignment, permit the Lease or any of its provisions to be amended or waived without the prior written consent of the Assignee; (iv) Lessee will not require the Assignee to perform any obligation or covenant of Lessor hereunder, it being further understood that Lessor shall not be relieved of any such obligations or covenants by any assignment; and (v) any Assignee of Lessor's rights may reassign such rights with the same effect as if the original assignment.

13. Default by Lessee. Lessee shall be in default upon the occurrence of any one of the following events: (1) failure to pay the rent or any additions thereto within fifteen (15) days following the due date thereof; or (2) failure to observe or perform any other term or condition of the Lease if such failure shall continue for a period of fifteen (15) days after written notice from Lessor; or (3) without notice if any representation or warranty made by Lessee herein or in any document delivered to Lessor in connection herewith shall prove to be false or misleading when made or shall become false or misleading at any time thereafter; or (4) without notice if proceedings under the Federal Bankruptcy Act or insolvency laws shall be instituted by, for or against Lessee, or if a receiver shall be appointed for Lessee or any of its properties and such shall not be vacated or stayed within thirty (30) days; or (5) without notice if any of the Equipment shall be attached, levied upon, encumbered, pledged, seized, or taken under any judicial process and such proceedings shall not be vacated or fully stayed within thirty (30) days thereof; or (6) without notice if Lessee shall make an assignment for the benefit of creditors, or admit in writing its inability to pay its debts as they become due.

In such event Lessor may at its option take one or more of the following actions: (1) proceed by appropriate court action either at law or in equity to enforce performance by Lessee of all provisions hereof and to recover damages for the breach thereof; (2) terminate this Lease and recover damages for breach thereof; (3) accelerate all Rent due hereunder and any other amounts due which will enable Lessor to receive the same rate of return that Lessor would have realized had such default not occurred; (4) should Lessee fail to return the Equipment to Lessor within ten days of Lessor's written request, enter upon the premises of the Lessee, or other premises where the Equipment might be located without notice or legal process and without liability for trespass or without responsibility for damages to any article in or attached to the Equipment. Upon such entry, Lessor may take possession of the Equipment, whereupon Lessee's right to possession thereof shall absolutely cease and terminate. The Lessee hereby expressly waives any damages occasioned by such taking of possession. Return or repossession of the Equipment shall not constitute a termination of this Lease unless Lessor so notifies Lessee in writing. In the event of any such breach, the Lessor shall retain all Rents and additional sums paid by the Lessee hereunder, as well as all insurance proceeds and other sums if any then in its possession which, had this Lease not been so terminated, would otherwise be payable to the Lessee. Lessor shall be entitled to recover all unpaid Rentals to and including the date on which it obtains uncontested possession, and all other additional sums owing, unpaid or accrued hereunder.

Lessee shall pay all costs and expenses of the Lessor incurred by the Lessor in exercising any of its rights or remedies under this Lease, including expenses of repossessing, repairing, holding, preparing for lease or sale, cost of leasing and selling of the Equipment, and reasonable attorneys' fees and legal expenses. No right or remedy conferred upon or reserved to the Lessor by this Lease shall be exclusive of any other right or remedy of Lessor, but shall be cumulative and shall be in addition to all other remedies in the Lessor's favor existing in law, equity or bankruptcy; provided, Lessor's aggregate recovery from damages (excluding attorneys' fees, other expenses, taxes, indemnities, interest and similar charges) shall not exceed the amount which it would have received if Lessee had not defaulted. In the event that any court of competent jurisdiction determines that any provision of this Section 13 is invalid or unenforceable in whole or in part, such determination shall not prohibit Lessor from establishing its damages sustained as a result of any breach of this Lease in any action or proceeding in which Lessor seeks to recover such damages. Any repossession or subsequent sale or re-lease by Lessor of the Equipment shall not bar an action for damages for breach of this Lease, as hereinabove provided, and the bringing of an action or the entry of judgment against Lessee shall not bar Lessor's right to repossess the Equipment. If Lessee fails to comply with its covenants herein, the Lessor may but shall not be obligated to make advances to perform the same.

All sums so advanced and all sums not paid when due hereunder shall be payable to the Lessor upon demand with interest so far as lawful at three percentage points above the prime rate then in effect at Chase Manhattan Bank, New York, New York. No express or implied waiver by Lessor of any default shall in any way be, or be construed to be, a waiver of any future or subsequent default.

14. Financial Information. Lessee must notify Lessor promptly in writing of any significant or material change in Lessee's financial condition or corporate structure. Lessee shall keep its books and records in accordance with generally accepted accounting principles and practices consistently applied. Lessee and each guarantor (if any) agree to deliver to Lessor its annual audited financial statements or unaudited financial statements (if an audited statement is unavailable) which statements Lessee and guarantor (if any) represent and warrant shall fully and fairly present their true financial condition.

15. Tax Indemnification.

(a) Lessee acknowledges that this Lease has been entered into on the basis that Lessor shall be entitled (i) to claim for Federal income tax purposes the maximum Investment Tax Credit allowed under Section 38 and related sections of the Internal Revenue Code of 1954, as amended ("Code") on the total original cost of the Equipment as new Section 38 Property; (ii) and to claim the Deductions for Depreciation on the total original cost of the Equipment pursuant to Section 168 of the Code under the Accelerated Cost Recovery System, with appropriate adjustments in either Investment Tax Credit or depreciable equipment cost basis as described in the Code; and (iii) to claim under Section 163 of the Code a tax deduction for the full amount of any interest paid by Lessor or accrued under Lessor's method of tax accounting ("Interest") on any indebtedness secured by such Equipment (hereinafter referred to collectively as the "Tax Benefits").

(b) Lessee agrees to fully indemnify Lessor for any loss, disallowance, unavailability or recapture of the above mentioned Investment Tax Credit and/or Depreciation Deductions and/or Interest Deductions as a result of any of the following acts or failure to act by Lessee during the term of this Lease:

1. Lessee's sublease or relinquishment of possession or use of the equipment to a tax exempt entity;
2. Lessee becoming a tax exempt entity;
3. Lessee's use of the Equipment outside the United States of America, except Canada;
4. Lessee's sale or other unauthorized disposition of the Equipment.

5. Lessee's acts or failure to act which result in government seizure of the Equipment;

6. Lessee's use of the Equipment prior to title to the Equipment passing to Lessor;

7. Lessee's breach of its representations, warranties, covenants, acknowledgments or obligations contained in this Agreement;

8. Lessee having claimed the Tax Benefits which Lessor intends to claim pursuant to this Section 15;

9. Lessee's purchase of replacement equipment, pursuant to Section 6 thereof to remedy an occurrence of damage to the Equipment;

10. Lessee making any non-severable improvement to any of the Equipment or Units not permitted by Revenue Procedure 79-48;

11. Lessee's breach in its representation that the Equipment is classified as new personal property under Section 38; or

12. Any other act, omission, misrepresentation or failure to act by Lessee which results in a loss of such Tax Benefits.

If Lessor shall lose, shall not have the right to claim, or if there shall be disallowed or recaptured with respect to Lessor, all or any portion of such Tax Benefits, Lessee will defend and hold harmless the Lessor from and against (a) any loss, disallowance, unavailability, or recapture of the Investment Tax Credit, Depreciation Deductions or Interest Deductions, plus (b) all interest, penalties, or additions to tax resulting from such loss, disallowance, unavailability or recapture of any of the foregoing, plus (c) all taxes required to be paid by the Lessor, its successors, assigns, or affiliates upon receipt of any of the indemnifications set forth in this Section.

(c) If, as the result of the sublease or of the relocation of the Equipment by Lessee, Lessor is required to pay greater taxes than such taxes which would have been payable by Lessor in the jurisdiction of the original Location, Lessee will indemnify Lessor so as to compensate Lessor, in an amount sufficient to reverse the effect of such increased taxes.

(d) Lessor shall provide to Lessee copies of Lessor's computations and assumptions in support of any claim for indemnification pursuant to this Section 15. Such claim shall be paid by Lessee to Lessor upon Lessor's written demand made at any time after Lessor's payment of the tax attributable to the Tax

Benefits so lost, disallowed or recaptured; provided however, Lessor agrees to notify Lessee of the grounds for such loss, disallowance or recapture and, if Lessee agrees to indemnify and pay Lessor for any and all expenses (including attorney's fees), liabilities or losses which Lessor may incur in challenging the same, then Lessor shall take appropriate action to challenge such loss, disallowance or recapture and shall not pay the disputed tax unless and until such challenge results in final judgment that the tax must be paid.

(e) For purposes of this Section 15, "Lessor" shall mean Lessor or any assignee of Lessor. All of the Lessor's rights and privileges arising from the indemnities contained in this Section 15 shall survive the expiration or other termination of this Lease, and said indemnities are expressly made for the benefit of, and shall be enforceable by Lessor, its successors and assigns.

16. Return of Equipment Lessee shall surrender the Equipment to Lessor on the Lease Expiration Date or immediately on request by Lessor if Lessor has notified Lessee of any default which has not been remedied within the periods set forth in Section 13 or on such other date, as may be applicable. The Equipment shall be carefully crated, insured and delivered at Lessee's sole expense at a location designated by Lessor, in its original condition, less reasonable wear and tear. Upon such delivery to, inspection by, and written acceptance of Equipment by Lessor, risk of loss shall pass to Lessor and this Lease shall terminate with respect to the Equipment so surrendered except for any unfulfilled Lessee obligations hereunder.

Notwithstanding provisions in this Lease to the contrary, Lessee shall give Lessor at least 180 days notice in writing of its intention to return any Unit of Equipment to Lessor upon the expiration of the Lease Term. In the event that Lessee shall fail to give Lessor 180 days written notice, this Lease as it relates to such Unit of Equipment shall be extended and continued at the same rental in effect for the last current rental period until 180 days after Lessor receives such notice in writing from Lessee.

17. Purchase and Renewal Options.

1. If no event of default shall have occurred and be continuing as described in Section 13, Lessee may, by notice delivered to Lessor not more than nine months and not less than six months prior to the end of the original Term or any extended term of this Lease with respect to any Unit (a) elect to extend the term of this Lease in respect to all Units for which this Lease is then expiring for a period of one or two years as designated in said notice, at a "Fair Market Rental Value" payable in equal monthly payments or (b) elect to purchase at the end of such Term all Units for which this Lease is then expiring for a purchase price equal to the "Fair Market Sales Value" of such Units as of the end of the original or extended term of this Lease with respect to such Units.

2. Fair Market Rental Value shall be determined on the basis of, and shall be equal in amount to, the value which would be obtained in an arm's length transaction between an informed and willing lessee (other than a lessee currently in possession) and an informed and willing lessor under no compulsion to lease and, in such determination, costs of removal from the location of current use shall not be a deduction from such value. If, four months prior to the end of the Term of this Lease with respect to such Units, Lessor and Lessee have not agreed upon the Fair Market Rental Value of such Units, upon application of either party, an independent appraiser shall be agreed upon by both parties or shall be appointed by the American Arbitration Association and instructed to determine the Fair Market Rental Value of such Units within 30 days after appointment and promptly communicate such determination in writing to Lessor and Lessee. The determination so made shall be conclusively binding upon Lessor and Lessee provided, however, that Lessee shall have no obligation to rent the Units at the value determined by the appraiser. The expenses and fees of the appraiser shall be borne by Lessee.

3. Fair Market Sales Value shall be determined on the basis of, and shall be equal in amount to, the value which would be obtained in an arm's length transaction between an informed and willing buyer (other than a buyer currently in possession) and an informed and willing seller under no compulsion to sell and, in such determination, costs of removal from the location of current use shall not be a deduction from such value. If, four months prior to the end of the Term of this Lease with respect to such Units, Lessor and Lessee have not agreed upon the Fair Market Sales Value of the Units, upon application of either party, an independent appraiser shall be agreed upon by both parties or shall be appointed by the American Arbitration Association and instructed to determine the Fair Market Sales Value of the Units within 30 days after appointment and promptly communicate such determination in writing to Lessor and Lessee. The determination so made shall be conclusively binding upon Lessor and Lessee, provided, however, that Lessee shall have no obligation to purchase the Units at the value determined by the appraiser. The expenses and fees of the appraiser shall be borne by Lessee.

4. Upon payment of the purchase price, Lessor shall execute and deliver to Lessee a bill of sale (without representations or warranties except that such Units are free and clear of all claims, liens, security interests and other encumbrances by or in favor of any person claiming by, through or under Lessor) for the Units.

18. Notices. All notices shall be in writing and sent by prepaid, certified or registered mail, and if sent to the Lessee, then addressed to the Lessee at Iron Horse Park, North Billerica, Massachusetts 01862 and if sent to the Lessor, then addressed to the Lessor at 40 Court Street, Boston, Massachusetts 02108 or such other address as shall have been subsequently given in writing by such party for the purpose of notice.

19. Waiver by Lessor. No waiver by Lessor of any of its rights hereunder shall be effective unless in writing. No effective waiver by Lessor of any of its rights hereunder shall be effective to waive any other rights hereunder.

20. Governing Law. The Lease is entered into under and shall be construed in accordance with and governed by the laws of the Commonwealth of Massachusetts.

21. Successors. The Lease and all instruments and agreements attached hereto shall inure to the benefits of and shall be binding upon Lessor and Lessee, their heirs, legal representatives, successors and assigns.

22. Inspection. Lessee shall permit Lessor's representatives to enter the premises where any Unit is located and inspect each Unit during usual business hours. Lessor's failure to so inspect shall not operate as a waiver of any obligation of Lessee hereunder.

23. Modification. Lessor and Lessee agree that any modification or change in this Lease must be in writing and signed by both parties.

24. Titles. The titles on paragraphs hereof are not intended to have legal effect but are for information purposes only.

25. Severability. Each provision hereof shall be independent and the breach of any provision by Lessor shall not discharge or relieve Lessee from its obligations to perform each and every covenant to be performed by Lessee hereunder. Any provision or provisions of this Lease or any Schedules hereto that are prohibited by law or unenforceable in any jurisdiction shall, as to such jurisdiction and insofar as the same shall be governed by the laws thereof, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof. However, any such prohibition or unenforceability shall not invalidate such provision or provisions or render the same unenforceable in any other jurisdiction. To the extent permitted by applicable law, the Lessee hereby waives any provision of law which renders any provision hereof prohibited or unenforceable in any respect.

26. Definitions. The following terms as used herein, have the below stated meanings:

(a) "Lessee" includes any corporation succeeding the named Lessee by consolidation, merger or acquisition of its assets substantially or in entirety.

(b) "Equipment" refers to the items listed on attached Schedule(s), all attachments and accessions now and hereafter made thereon, and all substitutions and replacements therefore.

(c) "Lien" means any charge, lien, security interest or encumbrance made or suffered by Lessee or which results from the failure of Lessee to perform its covenants hereunder.

(d) "Alterations" are modifications, alterations or additions to the Equipment provided each (i) is required or permitted by the Manufacturer, (ii) is necessary or desirable for the maintenance or improvement of the Equipment, and (iii) does not eliminate the multi-use capabilities of the Equipment, or reduce the value or impair the capabilities or efficiency of the Equipment, or impair the certifications, performance, safety, quality, use or character of the Equipment.

(e) "Written notice" or approval includes telegraph, telex, mailgram, telecopy and certified mail.

LESSEE AND LESSOR REPRESENT THAT THEY HAVE READ THIS SIXTEEN PAGE LEASE AND EACH AMENDMENT AND SCHEDULE ATTACHED HERETO AND THAT IT CONSTITUTES THE AGREEMENT BETWEEN THE PARTIES WITH RESPECT TO THE SUBJECT MATTER HEREOF AND THAT THIS LEASE SUPERCEDES ALL PROPOSALS, ORAL OR WRITTEN, ALL PREVIOUS NEGOTIATION AND ALL OTHER COMMUNICATIONS BETWEEN LESSOR AND LESSEE WITH RESPECT TO THE SUBJECT MATTER HEREOF, AND THAT THEY EACH HAVE RECEIVED A COPY HEREOF.

IN WITNESS WHEREOF, the parties hereto have hereunto caused this Lease to be duly executed as of the twenty-seventh day of December, 1985.

LESSOR:

LESSEE:

UNITED STATES TRUST COMPANY

BOSTON & MAINE CORPORATION

BY: Tamara P. Davis

BY: Richard S. Long

TITLE: Senior Vice President

TITLE: Treasurer

ATTEST: Mavis L. Callahan

ATTEST: P. W. Carr

Secretary
(Corporate Seal)

Secretary
(Corporate Seal)

EQUIPMENT SCHEDULE NO. 1
ATTACHED TO
MASTER EQUIPMENT LEASE #19856
DATED December 27, 1985

This Equipment Schedule hereby incorporates by reference, as though set forth in its entirety the provisions for the Master Equipment Lease #19856 dated December 27, 1985 between UNITED STATES TRUST COMPANY ("Lessor") and BOSTON & MAINE CORPORATION, ("Lessee").

1. LESSEE: BOSTON & MAINE CORPORATION

TOTAL LESSOR'S COST: \$547,147.00

EQUIPMENT: See Attached Exhibit D-1 for Complete Description

LOCATION: Continental United States

2. DEFINITIONS:

The Basic Rent shall be \$5,657.47 per month for payment numbers one through sixty and \$6,913.28 for payment numbers sixty-one through one hundred twenty, payable in advance from the Lease Commence Date. The Basic Rent Date shall be the first day of each calendar quarter (to and including the Last Basic Rent Date) or the first business day thereafter when the first falls on a non-business day. The other Definitions applicable to this Schedule shall be:

Final Delivery Date: March 30, 1986

Lease Commence Date: April 1, 1986

First Basic Rent Date: April 1, 1986

Last Basic Rent Date: March 1, 1996

Basic Lease Rental Factor: 1.03399% Payment No. 1-60
1.26351% Payment No. 61-120

Late Payment Penalty Rate: 18% or maximum permitted by law, whichever is less.

Use Tax: None

3. The Casualty Values of the Equipment shall be the Lessor's Original Purchase Cost of each item of Equipment suffering an Event of Loss, multiplied by the percentage set out in Exhibit C-1 to this Equipment Schedule opposite the number of the Base Rental Payment preceding such Event of Loss.

IN WITNESS WHEREOF, the parties hereto have caused this Schedule to be duly executed as of the 24th day of March 1986.

UNITED STATES TRUST COMPANY
Lessor

By Tamara P. Davis
Title Senior Vice President

BOSTON & MAINE CORPORATION.
Lessee

By Richard S. Long
Title Treasurer

CASUALTY VALUES

The Casualty Value of each Unit shall be the percentage of the Purchase Price set forth below opposite the number of the Base Rental payment which would have become due to and including the next Base Rental payment date after the Casualty Occurrence. If the Casualty Occurrence takes place prior to the Lease Commencement Date, the Casualty Value shall be the percentage of the Purchase Price set forth opposite the first Base Rental payment number. If the Casualty Occurrence takes place after the last Base Rental payment date, the Casualty Value shall be the percentage of the Purchase Price set forth opposite such last Base Rental payment number.

<u>No. of Base Rental Payment</u>	<u>% of Purchase Price</u>	<u>No. of Base Rental Payment</u>	<u>% of Purchase Price</u>
1	114.12	36	103.76
2	114.11	37	100.08
3	114.10	38	99.77
4	114.09	39	99.44
5	114.07	40	99.09
6	114.04	41	98.74
7	113.99	42	98.38
8	113.97	43	97.99
9	113.81	44	97.60
10	113.70	45	97.20
11	113.59	46	96.77
12	113.43	47	96.34
13	112.28	48	95.90
14	110.71	49	92.06
15	110.68	50	91.58
16	110.62	51	91.10
17	110.56	51	90.59
18	110.49	53	90.08
19	110.41	54	89.55
20	110.31	55	89.01
21	110.21	56	88.45
22	110.08	57	87.88
23	109.95	58	87.29
24	109.81	59	86.69
25	106.27	60	86.08
26	106.11	61	82.07
27	105.93	62	81.23
28	105.73	63	80.38
29	105.53	64	79.54
30	105.32	65	78.68
31	105.09	66	77.81
32	104.85	67	76.95
33	104.60	68	76.08
34	104.33	69	75.20
35	104.05	70	74.32

Exhibit C-1 (cont.)

<u>No. of Base Rental Payment</u>	<u>% of Purchase Price</u>	<u>No. of Base Rental Payment</u>	<u>% of Purchase Price</u>
71	73.44	96	49.47
72	72.54	97	48.43
73	71.62	98	47.39
74	70.72	99	46.35
75	69.80	100	45.31
76	68.90	101	44.26
77	67.98	102	43.19
78	67.05	103	42.13
79	66.13	104	41.06
80	65.19	105	39.98
81	64.25	106	38.91
82	63.31	107	37.82
83	62.36	108	36.72
84	61.40	109	35.60
85	60.42	110	34.49
86	59.45	111	33.37
87	58.47	112	32.26
88	57.50	113	31.13
89	56.52	114	29.99
90	55.52	115	28.86
91	54.54	116	27.71
92	53.54	117	26.55
93	52.52	118	25.41
94	51.52	119	24.24
95	50.50	120	22.40
		or Fair Market Value whichever is greater	

Acknowledged & Accepted

By

Ruth E. Long

Title

Treasurer

EQUIPMENT DESCRIPTION

Twenty-three Roofless and Doorless Bi-Level Auto Racks

<u>Rack ID#</u>	<u>A-End Rack Serial #</u>	<u>B-End Rack Serial #</u>	<u>Car Number</u>
BM45040	80614	80613	TTBX255057
BM45041	80616	80615	253912
BM45042	80618	80617	254991
BM45043	80620	80619	977244
BM45044	80622	80621	255973
BM45045	80624	80623	254909
BM45046	80626	80625	254942
BM45047	80628	80627	254910
BM45048	80630	80629	255963
BM45049	80654	80653	977024
BM45050	80632	80631	255945
BM45051	80644	80543	977073
BM45052	80634	80633	256160
BM45053	80640	80639	255975
BM45054	80638	80637	253924
BM45055	80642	80641	255937
BM45056	80646	80645	255917
BM45057	80648	80647	254085
BM45058	80650	80649	254947
BM45059	80652	80651	254646
BM45060	80656	80655	253948
BM45061	80658	80657	255850
BM45062	80636	80635	255005

23 Bi-Level Auto Racks @ \$23,789.00 = \$547,147.00

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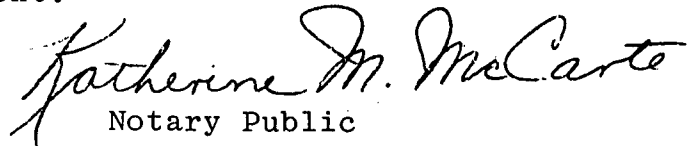
INTERSTATE COMMERCE COMMISSION

COMMONWEALTH OF MASSACHUSETTS

MIDDLESEX, SS

May 5, 1986

I, Katherine M. McCarte, a duly appointed and acting Notary Public in the Commonwealth of Massachusetts, hereby certify that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.


Notary Public

My Commission expires: January 18, 1991.